

## Message Text

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ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-05 H-01  
INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02  
SS-15 USIA-06 HEW-04 EB-07 /080 W  
-----130569 202356Z /66

R 201428Z JUL 77  
FM AMZMBASSY TEL AVIV  
TO SECSTATE WASHDC 7340  
INFO AMEMBASSY AMMAN  
AMEMBASSY BUCHAREST  
AMEMBASSY CAIRO  
AMEMBASSY DAMASCUS  
AMEMBASSY JIDDA  
AMCONSUL JERUSALEM  
SUMMISSION SINAI 0430

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E.O. 11652: N/A  
TAGS: PINT, IS  
SUBJECT: COALITION NEGOTIATIONS CONTINUE

1. THE LOPSIDED VOTE FOR THE GOVERNMENT'S NEW ECONOMIC MEASURES (SEPTTEL) OWES ITS HEFTINESS (70-35) TO THE DMC'S SUPPORT AND IS A VIVID REMINDER OF HOW BROAD A KNESSET MAJORITY THE GOVERNMENT WOULD ENJOY SHOULD THE DMC JOIN THE COALITION. THE LIKELIHOOD OF THIS HAPPENING SOON CONTINUES TO BE STRONG. THE LIKUD AND DMC HAVE APPOINTED SUBCOMMITTEES TO DISCUSS THEIR DIFFERENCES IN VARIOUS FIELDS AND HAVE WASTED LITTLE TIME IN GETTING DOWN TO BUSINESS. FOLLOWING A MEETING YESTERDAY OF THE SUBCOMMITTEE ON ECONOMIC AND SOCIAL ISSUES, IT WAS ANNOUNCED THAT BROAD AREAS OF AGREEMENT "IN PRINCIPLE" WERE REACHED ON THE QUESTION OF SUBSIDIES FOR CONSUMERS AND THE NEEDY, WAGE INCREASES LINKED TO PRODUCTIVITY, AND THE  
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ESTABLISHMENT OF A NATIONAL HEALTH INSURANCE SCHEME. HOWEVER, ON THE FUNDAMENTAL QUESTION OF THE RELATIVE POWERS OF THE DEPUTY PRIME MINISTER, THE CABINET MEMBER(S) HANDLING LABOR AND SOCIAL AFFAIRS, AND THE RESPONSIBILITIES IN THESE AREAS OF DEPUTY MINISTER YORAM ARIDOR, NO DEFINITE UNDERSTANDING HAS YET BEEN REACHED. ONE OF THE LIKUD NEGOTIATORS

(YEHESKEL FLOMIN) TOLD US HE EXPECTS A WRITTEN AGREEMENT TO EMERGE FROM THE SUBCOMMITTEE TODAY. THE SUBCOMMITTEE ON MEMBERSHIP IN MINISTERIAL AND KNESSET COMMITTEES WILL ALSO MEET TODAY WHILE THE SUBCOMMITTEE ON ELECTORAL REFORMS IS SCHEDULED TO CONVENE TOMORROW.

2. WHILE THE NEGOTIATIONS APPEAR TO BE MAKING PROGRESS, DISSENTING VOICES ARE HEARD ON BOTH SIDES. THE NRP, NOT REPRESENTED ON ANY OF THE SUBCOMMITTEES AND ESSENTIALLY NOT YET PARTICIPATING IN THE NEGOTIATIONS, HAS MADE IT PLAIN THAT IT WILL NOT BE BOUND BY DECISIONS REACHED IN THE NEGOTIATIONS UNLESS IT IS PARTY TO THEM. THE CRUNCH ISSUE FOR THE NRP IS THE DMC'S DEMANDS FOR ELECTORAL REFORM.

3. PERHAPS MORE SIGNIFICANT IS THE CRYSTALLIZATION OF OPPOSITION WITHIN THE DMC TO JOINING THE COALITION. THIS OPPOSITION CENTERS AROUND AMNON RUBENSTEIN AND OTHER FORMER MEMBERS OF SHINUI WHO ARE CONCERNED OVER WHAT THEY SEE AS THE DMC'S PRECIPITOUS EMBRACE OF THE COALITION. THEY ARE EXPECTED TO SUPPORT A MOTION IN TONIGHT'S MEETING OF THE DMC COUNCIL TO REFER THE QUESTION OF JOINING THE COALITION TO A REFERENDUM OF THE ENTIRE DMC MEMBERSHIP. THE PROPOSAL IS OPPOSED BY YADIN

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AND MUCH OF THE PARTY'S LEADERSHIP. YADIN, IN FACT, REPORTEDLY BELIEVES THE ISSUE OF JOINING THE GOVERNMENT WILL BE DECIDED, ONE WAY OR THE OTHER, WITHIN A WEEK AFTER BEGIN'S RETURN FROM THE U.S. A SUCCESSFUL VISIT SHOULD TIP THE SCALES TOWARD JOINING. THE QUESTION THEN EMERGES--WILL THE DMC COME IN AS A WHOLE PARTY OR WILL THERE BE A SPLIT? DUNNIGAN

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## Message Attributes

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**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COALITION GOVERNMENT, NEGOTIATIONS  
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**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
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**Review Release Date:** n/a  
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**Status:** NATIVE  
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**Review Markings:**  
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